

# HOUSE . . . . . No. 5233

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## The Commonwealth of Massachusetts

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HOUSE OF REPRESENTATIVES, January 20, 1998.

The committee on Taxation, to whom was recommitted the petition (accompanied by bill, House, No. 4109) of Robert S. Hargraves, Mary S. Rogeness, Rachel Kaprielian, Ronald W. Gauch, Bradley H. Jones, Jr., and Evelyn G. Chesky relative to the taxation of residences of certain private schools, reports recommending that the accompanying bill (House, No. 5233) ought to pass.

For the committee,

PETER J. LARKIN.

## The Commonwealth of Massachusetts

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In the Year One Thousand Nine Hundred and Ninety-Eight.

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AN ACT RELATIVE TO THE TAXATION OF RESIDENCES OWNED BY CERTAIN PRIVATE SCHOOLS.

*Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:*

1 SECTION 1. Clause third of section five of Chapter fifty-nine  
2 of the General Laws, as appearing in the 1994 Official Edition, is  
3 hereby amended by adding the following subsection:—

4 Real and personal property of an educational institution, as  
5 defined in the Internal Revenue Code 501(3)(c) as amended and in  
6 effect for the taxable year, providing primary or secondary educa-  
7 tion, which is occupied or used wholly or principally as a resi-  
8 dence for employees of such institution and which does not serve  
9 an exclusive educational purpose shall not be exempt. An exclu-  
10 sive educational purpose shall mean it is used at all times for a  
11 purpose directly related to the educational goal of the institution.  
12 Buildings used exclusively for educational purposes include but  
13 are not limited to classrooms, dormitories, administrative offices,  
14 athletic facilities and dining halls.

15 The assessor shall not exempt school-owned residences used by  
16 the school to house faculty members unless the school can show  
17 that the resident pays no or nominal rent, the resident occupies the  
18 residence as a condition of employment, and the resident's occu-  
19 pancy furthers an exclusive educational purpose. Any school-  
20 owned residence not used exclusively for an educational purpose  
21 shall be assessed taxes on a pro-rated basis determined by a frac-  
22 tion, the numerator of which is the number of square feet used for  
23 an educational purpose, and the denominator of which is the total  
24 square footage of the building.

1 SECTION 2. The provisions of this act shall be adopted by a  
2 city or town by a binding referendum conducted in accordance  
3 with the provisions of section fifty-eight A of chapter fifty-four of  
4 the General Laws.

